

Shareholders demonstrate long-term commitment to the Brose Group

Coburg/Berlin (19. July 2022) At their traditional summer meeting at the company's founding location in Berlin on July 16, 2022, the Brose Group's shareholders, advisory board and management discussed the company's situation and passed various resolutions. Despite the current difficult economic situation, the shareholders are fully behind the company and its management and intend to maintain Brose as an independent family business in the future. The shareholders and advisory board have confidence in the management to bring the company back on track for economic success.

Maximilian Stoschek was elected as Deputy Chairman of the Board of Directors and is preparing to succeed his father, Michael Stoschek, as the owners' representative both internally and externally.

The former CEO of Hella, Dr. Rolf Breidenbach, has joined the advisory board and supports the change at Brose with his 18 years of experience in the transformation of a family-owned company.

Since the beginning of the year, Brose has consolidated the sales revenue of the Brose Sitech joint venture, a subsidiary of Brose and Volkswagen AG. This is expected to increase sales revenue to a total of 7.4 billion euros. Major efforts will be needed to break even in 2022 following the loss in the previous year.

The shareholders and management have resolved to terminate the personnel reduction program with immediate effect. The management was instructed to carry out a fundamental improvement of the process and organizational structure in all units and to make personnel changes on the basis of these organizational improvements, taking into account further economic developments and the personnel requirements arising from the pleasingly high order backlog.

The decision to invest more than 200 million euros in the second half of 2022 is also a sign of the confidence of the shareholders and the advisory board. Assembly plants in other European countries and overseas will be expanded and construction projects at the Franconian sites in Coburg and Bamberg will be continued or started.

The meeting shared the employees' concern about the extraordinary increases in the cost of living. Although overall personnel costs must be reduced significantly, the shareholders decided to continue the current company pension plan in the coming years.